FALKLAND ISLANDS

International Tourism Statistics Report 2011

Falkland Islands
TOURIST BOARD

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INTRODUCTION

When measuring tourism, the Falkland Islands Tourist Board (FITB) follows United Nations World Tourism Organization (UNWTO) definitions. Consequently:

Tourists *are non-residents of the Falkland Islands travelling to the country for at least one night and for not more than once consecutive year for leisure, business and other purposes.* In the Falklands this is often referred to as Land-Based Tourism.

Tourists can therefore be travelling to the Falkland Islands for a number of different reasons. These have been classified as:

- Leisure (and holiday).
- Visiting Friends and Relatives (VFR).
- Business (and conferences).
- Transit (en route to another country).

Each of these types of tourism has different drivers. Leisure tourism is most directly affected by marketing and public relations activities of tourist boards (and similar administrations), whilst VFR travel is dependent on cultural links between the destination and the source markets. Business tourism is driven by trade and industry links, and the local and global economies, whilst transit tourism is based on the geographical location of a destination in relation to other countries and transportation links.

Day Visitors *are non-residents of the Falkland Islands travelling to the Islands, but not staying overnight. In the Falkland Islands these are cruise visitors.* In the Falklands this is often referred to as Cruise Tourism.

When considering cruise tourism, the following definitions are applied:

- Cruise Vessels: vessels carrying 250 or more passengers.
- Expedition Vessels: vessels carrying less than 250 passengers.

The data presented in this report is derived from:

- Data provided by the Customs and Immigration Department. For overnight visits, the purpose of visit (and length of stay) of each arrival in the Falkland Islands will determine whether they are defined as a tourist or not.

- Air Visitor Survey: a monthly survey undertaken by FITB on passengers departing by air at MPA.

- Cruise Visitor Survey: a regular survey undertaken during the cruise season by FITB at the Jetty Centre, on visitors departing the Islands.

KEY FACTS AND FIGURES

Indicator	**Value (2011)**	**Change from 2010**
Inbound (Air) Tourism		
All Tourist Arrivals	6,649	9.0%
Leisure Tourist Arrivals	1,276	0.4%
Tourist Arrivals from the UK	4,174	5.2%
Tourist Arrivals on the Air Bridge	2,149	-32.1%
Tourist Arrivals on LanChile	1,454	2.0%
Average Length of Stay of All Tourists (nights)	21.2	-2.3%
Average Length of Stay of Leisure Tourists (nights)	12.1	-22.4%
Percentage of All Nights Spent in Stanley (%)	32.1	-21.4%
Evaluation of Stay as “Excellent” (%)	79.7	24.5%
Interested in Visiting the Falklands Again (%)	79.1	19.1%
Value for Money is “Good” (%)	60.8	17.5%
Average Spend per Tourist per Night (£)	48.18	17.6%*
Average Spend per Leisure Tourist per Night (£)	151.70	37.5%*
Total Tourist Expenditure (£ million)	5.2	42.7%
Cruise Tourism		
Passengers	35,159	-13.3%
Evaluation of Visit as “Excellent” (%)	42.5	-4.6%
Likelihood of Visiting Again as “Definitely” (%)	15.0	-19.3%
Take a Land Based Holiday in FI as “Definite” (%)	9.0	-18.0%
Importance of FI in Itinerary as “Essential” (%)	16.8	6.9%
Average Spend per Passenger (£)	50.75	47.1%
Total Passenger Expenditure (£ million)	1.8	27.6%

GREEN boxes indicate an increase, and RED boxes indicate a decrease.

*Note: * Expenditure data compares 2011 with 2009 figures*

INBOUND TOURISM

TOURIST ARRIVALS

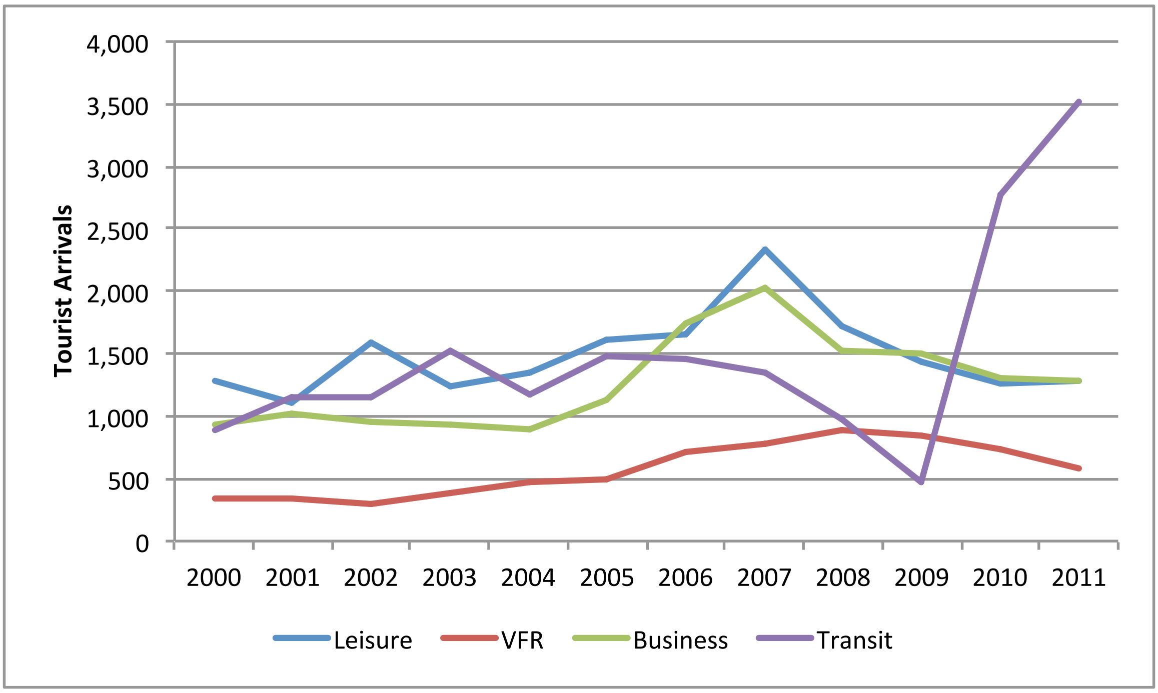
Tourist Arrivals by Purpose of Visit (2000-2011)

Over the period 2000 to 2011, tourist arrivals in the Falkland Islands have increased each year with the exception of 2004, 2008 and 2009. 2004 was a poor year for international tourism following the Gulf War and SARS outbreak in 2003. 2008 follows the 25th anniversary year of the Falklands conflict in 2007, and therefore a decline in numbers would be expected, although arrivals in 2008 were still less than those in 2006. International tourism in 2009 was affected by the recessions in most of the major generating countries, and Falklands suffered as a consequence.

Overall, tourist arrivals have grown at an average annual rate of 6.2% per annum over the period 2000-2011, with Transit visitors increasing most significantly (average of 13.3% per annum). Whilst there have been fluctuations in leisure travel over the last 11 years, overall there has been little change in the number of arrivals over the period.

Year	Leisure	VFR	Business	Transit	Total	Growth (%)
2000	1,291	332	931	894	3,448	
2001	1,099	340	1,030	1,157	3,626	5.2
2002	1,595	296	948	1,157	3,996	10.2
2003	1,235	386	938	1,519	4,078	2.1
2004	1,343	464	895	1,175	3,877	-4.9
2005	1,602	486	1,128	1,486	4,702	21.3
2006	1,653	715	1,748	1,453	5,569	18.4
2007	2,338	782	2,032	1,345	6,497	16.7
2008	1,720	879	1,533	982	5,114	-21.3
2009	1,429	839	1,510	468	4,246	-17.0
2010	1,271	735	1,314	2,778	6,098	43.6
2011	1,276	578	1,277	3,518	6,649	9.0
Share 2000 (%)	*37.4*	*9.6*	*27.0*	*25.9*	*100.0*	
Share 2011 (%)	*19.2*	*8.7*	*19.2*	*52.9*	*100.0*	
Av. Annual Growth since 2000 (%)	*-0.1*	*5.2*	*2.9*	*13.3*	*6.2*	

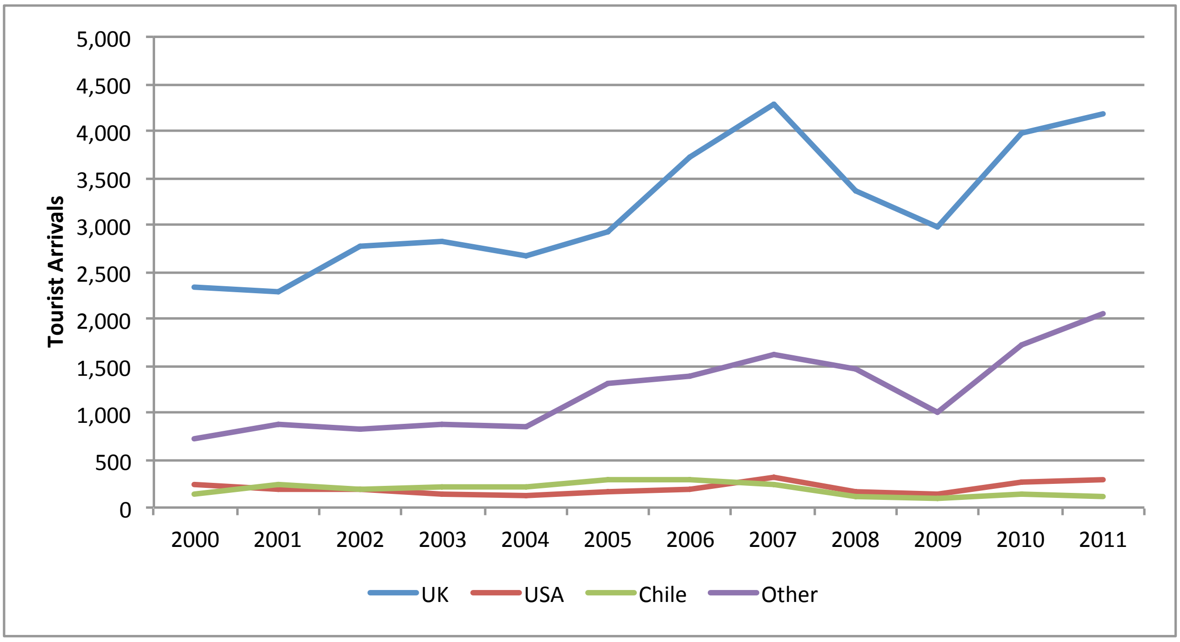
In terms of market share, Leisure, VFR and Business tourist arrivals have been eroded at the expense of Transit tourists, mainly due to the large increase of oil workers (who are classified as *Transit* by Immigration).



Tourist Arrivals by Country of Residence (2000-2011)

The UK is the most significant market for tourist arrivals in the Falkland Islands. In 2011, 62.8% of all arrivals were residents of the United Kingdom. Over the period 2000-2011, British visitors increased by an average of 5.4% per annum. By contrast, residents of the USA have only grown by 2.1%, and residents of Chile have declined by 2.4%. However, other nationals (which represent 31.1% of all tourists) increased by an average of 10.1% per annum.

Year	UK	USA	Chile	Other	Total
2000	2,348	238	143	719	3,448
2001	2,292	204	244	886	3,626
2002	2,768	200	202	826	3,996
2003	2,825	142	217	894	4,078
2004	2,681	127	218	851	3,877
2005	2,917	168	295	1,322	4,702
2006	3,709	184	287	1,389	5,569
2007	4,292	334	233	1,638	6,497
2008	3,360	170	112	1,472	5,114
2009	2,988	147	97	1,014	4,246
2010	3,968	259	141	1,730	6,098
2011	4,174	299	110	2,066	6,649
Share 2000 (%)	*68.1*	*6.9*	*4.1*	*20.9*	*100.0*
Share 2011 (%)	*62.8*	*4.5*	*1.7*	*31.1*	*100.0*
Av. Annual Growth since 2000 (%)	*5.4*	*2.1*	*-2.4*	*10.1*	*6.2*
Average Length of Stay (nights)	*19.6*	*16.8*	*16.2*	*25.3*	*21.2*



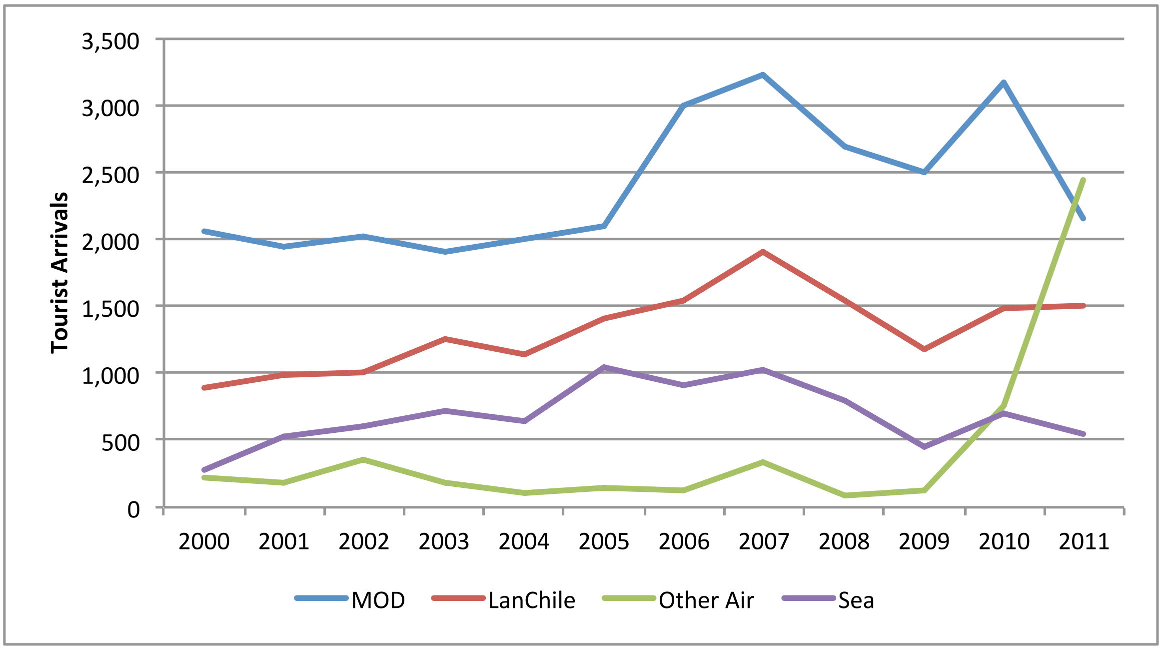
The average length of stay of all tourists in 2011 was 21.2 nights, with UK residents staying an average of 19.6 nights. The length of stay of all visitors in 2011 has increased by around 6 nights since 2009, mainly due to the arrival of oil workers.

Tourist Arrivals by Mode of Transport (2000-2011)

Arrivals via the air bridge accounted for only one-third of all tourist arrivals in 2011, compared to two-thirds eleven years ago. During the 11 years since 2000, arrivals via the air bridge have grown at an average rate of 0.4% per annum, compared with 4.9% on LanChile and 24.4% on "Other Air". Today, "Other Air" arrivals (mainly travelling on the oil flight from Gatwick) account for more arrivals than the air bridge or LanChile.

Despite the dominance of air, over 8.3% of all tourists arrive by sea, and the number of sea arrivals has been increasing by and average of 6.4% per annum over the period 2000-2011.

Year	MOD	LanChile	Other Air	Sea	Total
2000	2,063	886	222	277	3,448
2001	1,946	983	177	520	3,626
2002	2,028	1,014	355	599	3,996
2003	1,909	1,258	186	725	4,078
2004	2,000	1,135	108	634	3,877
2005	2,109	1,406	143	1,044	4,702
2006	2,993	1,536	130	910	5,569
2007	3,233	1,905	341	1,018	6,497
2008	2,695	1,537	83	799	5,114
2009	2,499	1,178	126	443	4,246
2010	3,167	1,478	758	695	6,098
2011	2,149	1,507	2,444	549	6,649
Share 2000 (%)	*59.8*	*25.7*	*6.4*	*8.0*	*100.0*
Share 2011 (%)	*32.3*	*22.7*	*36.8*	*8.3*	*100.0*
Average Annual Growth since 2000 (%)	*0.4*	*4.9*	*24.4*	*6.4*	*6.2*

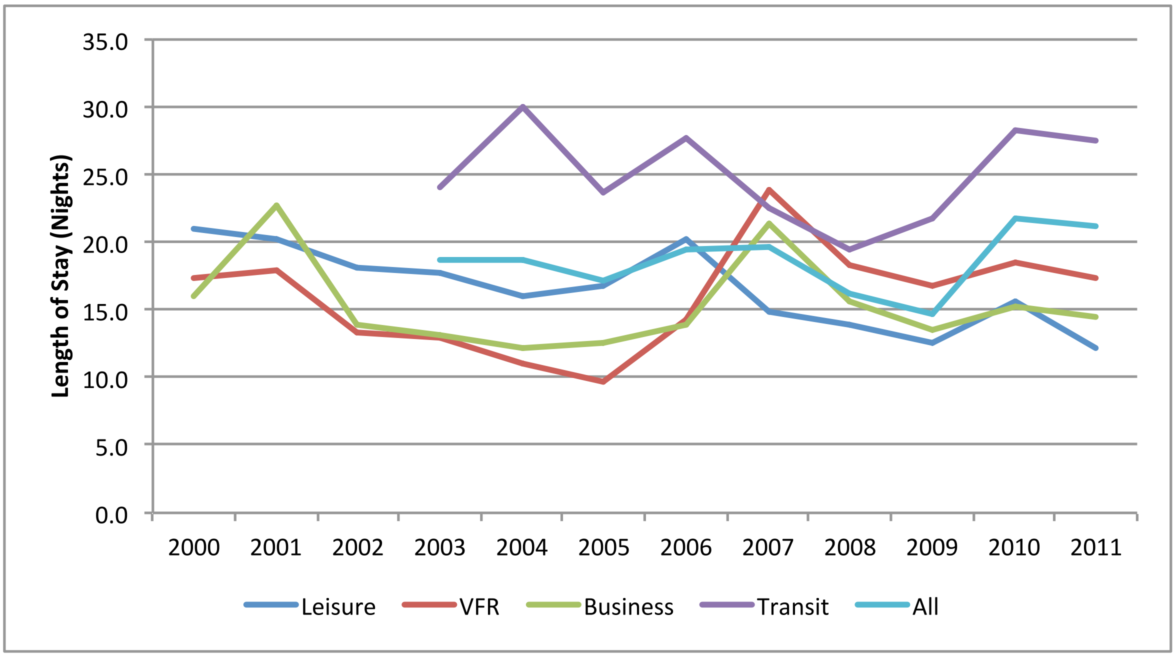


Average Length of Stay by Purpose of Visit (2000-2011)

The average length of stay of all tourists in 2011 has (broadly) maintained the level it achieved in 2010, of around three weeks. It increased for all purposes of visit in 2010, most notably for Transit tourists (mainly oil workers). Leisure tourists stayed for an average of 12.1 nights in 2011, down 3.5 nights on 2010.

Year	Leisure (nights)	VFR (nights)	Business (nights)	Transit* (nights)	All (nights)
2000	21.0	17.4	16.0		
2001	20.2	18.0	22.8		
2002	18.1	13.4	14.0		
2003	17.8	13.0	13.2	24.1	18.7
2004	16.1	11.1	12.1	30.0	18.8
2005	16.7	9.6	12.5	23.6	17.1
2006	20.2	14.3	13.9	27.7	19.4
2007	14.8	23.9	21.3	22.5	19.6
2008	13.9	18.3	15.6	19.4	16.2
2009	12.5	16.8	13.6	21.7	14.7
2010	15.6	18.6	15.3	28.3	21.7
2011	12.1	17.4	14.5	27.6	21.2
Change 11-12	-3.5	-1.2	-0.8	-0.7	-0.5

Note: Data for transit arrivals prior to 2003 is spurious and therefore excluded from the table.*



Country of Residence by Purpose of Visit (2010 and 2011)

Countries with the largest number of leisure visitors (UK, USA, Chile, Argentina, France and Australia) have been selected for individual analysis in this table.

Country	Purpose	2010	2011	Av. Annual Growth (%)
UK	Leisure	514	532	3.5
	VFR	614	502	-18.2
	Business	1,104	1,086	-1.6
	Transit	1,736	2,054	18.3
	Total	***3,968***	***4,174***	5.2
	% Share	***65.1***	***62.8***	
USA	Leisure	116	102	-12.1
	VFR	3	2	-33.3
	Business	34	37	8.8
	Transit	106	158	49.1
	Total	***259***	***299***	15.4
	% Share	***4.2***	***4.5***	
Chile	Leisure	38	37	-2.6
	VFR	42	18	-57.1
	Business	24	14	-41.7
	Transit	37	41	10.8
	Total	***141***	***110***	-22.0
	% Share	***2.3***	***1.7***	
Argentina	Leisure	149	143	-4.0
	VFR	9	0	-
	Business	17	8	-52.9
	Transit	0	1	-
	Total	***175***	***152***	-13.1
	% Share	***2.9***	***2.3***	
France	Leisure	68	91	33.8
	VFR	2	0	-
	Business	6	1	-83.3
	Transit	5	20	300.0
	Total	***81***	***112***	38.3
	% Share	***1.3***	***1.7***	
Australia	Leisure	45	48	6.7
	VFR	5	10	100.0
	Business	5	7	40.0
	Transit	6	11	83.3
	Total	***61***	***76***	24.6
	% Share	***1.0***	***1.1***	
Other	Leisure	341	323	-5.3
	VFR	60	46	-23.3
	Business	124	124	0.0
	Transit	888	1,233	38.9
	Total	***1,413***	***1,726***	22.2
	% Share	***23.2***	***26.0***	
Total	Leisure	1,271	1,276	0.4
	VFR	735	578	-21.4
	Business	1,314	1,277	-2.8
	Transit	2,778	3,518	26.6
	Total	***6,098***	***6,649***	9.0
	% Share	***100.0***	***100.0***	

Whilst British tourists have increased by 5.2% over the last year, those travelling for Transit have been the main drivers, growing by 18.3%. Leisure visitors from the UK grew by 3.5% over the last year.

Although the table shows analysis for the top five leisure-generating markets, the number of arrivals from the USA, Chile, Argentina, France and Australia are too small for any meaningful analysis for many of the purposes of visit. However, general changes are useful to note, including a decline in leisure arrivals from the USA and a growth of those from France.

With regards to market share, British tourists lost market share (falling from 65.1% to 62.8%). The largest gain was from *Other* countries, which increased their share from 23.2% to 26.0%, indicating a greater diversity of generating markets.

Gender by Purpose of Visit (2010 and 2011)

Tourist arrivals to the Falklands Islands are becoming more strongly male-oriented.

Gender	Purpose	2010	2011	Av. Annual Growth (%)
Male	Leisure	856	892	4.2
	VFR	327	288	-11.9
	Business	1,143	1,108	-3.1
	Transit	2,684	3,410	27.0
	Total	***5,010***	***5,698***	13.7
	%	***82.2***	***85.7***	
Female	Leisure	415	384	-7.5
	VFR	408	290	-28.9
	Business	171	169	-1.2
	Transit	94	108	14.9
	Total	***1,088***	***951***	-12.6
	%	***17.8***	***14.3***	
Total	Leisure	1,271	1,276	0.4
	VFR	735	578	-21.4
	Business	1,314	1,277	-2.8
	Transit	2,778	3,518	26.6
	Total	***6,098***	6,649	9.0
	%	***100.0***	***100.0***	
Male Visitors per Female Visitor	Leisure	2.1	2.3	
	VFR	0.8	1.0	
	Business	6.7	6.6	
	Transit	28.6	31.6	
	Total	**4.6**	**6.0**	

Tourism to the Falkland Islands is dominated by male arrivals, and this has become stronger over the last few years, largely due to the growth in oil industry (and related) arrivals. In 2010, 82.2% of all arrivals were male, and this increased to 85.7% in 2011.

Over the last decade there has been a growth in male leisure visitors and a decline in female leisure visitors. Consequently there are now over twice as many male leisure visitors as female leisure visitors. VFR travel is split relatively equally between males and females.

Overall, in 2011, the Falkland Islands received 6.0 male tourists for every female, compared to 4.6 males for every female in 2010.

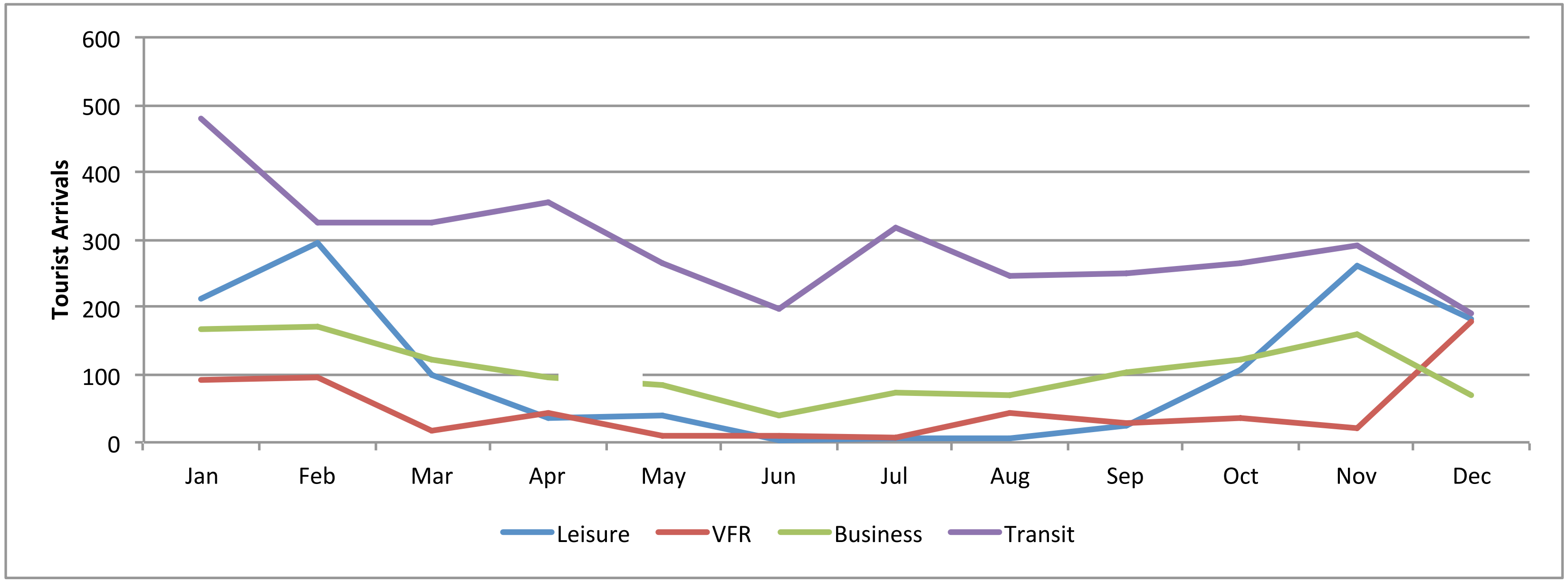
Purpose of Visit by Month (2011)

The seasonality of tourism in the Falkland Islands is quite significant, with over 48% of all arrivals visiting in the four months of November to February (in 2011). The seasonality pattern of Leisure tourist arrivals is even more significant with 74.5% of all arrivals visiting over this four-month period.

The seasonality of VFR travel is shaped by the Christmas holidays, with over 47% of all trips being in December and January.

Seasonality patterns for Business and Transit tourism are less obvious, however there are still significant differences between the months.

Month	Leisure		VFR		Business		Transit		Total	
	Arrivals	**%**	**Arrivals**	**%**	**Arrivals**	**%**	**Arrivals**	**%**	**Arrivals**	**%**
January	211	*16.5*	93	*16.1*	169	*13.2*	481	*13.7*	954	*14.3*
February	296	*23.2*	96	*16.6*	173	*13.5*	326	*9.3*	891	*13.4*
March	101	*7.9*	16	*2.8*	122	*9.6*	325	*9.2*	564	*8.5*
April	36	*2.8*	44	*7.6*	95	*7.4*	356	*10.1*	531	*8.0*
May	40	*3.1*	8	*1.4*	84	*6.6*	267	*7.6*	399	*6.0*
June	3	*0.2*	8	*1.4*	38	*3.0*	197	*5.6*	246	*3.7*
July	5	*0.4*	7	*1.2*	72	*5.6*	317	*9.0*	401	*6.0*
August	7	*0.5*	42	*7.3*	70	*5.5*	248	*7.0*	367	*5.5*
September	25	*2.0*	28	*4.8*	103	*8.1*	252	*7.2*	408	*6.1*
October	109	*8.5*	35	*6.1*	124	*9.7*	267	*7.6*	535	*8.0*
November	262	*20.5*	22	*3.8*	159	*12.5*	291	*8.3*	734	*11.0*
December	181	*14.2*	179	*31.0*	68	*5.3*	191	*5.4*	619	*9.3*
Total	1,276	*100.0*	578	*100.0*	1,277	*100.0*	3,518	*100.0*	6,649	*100.0*

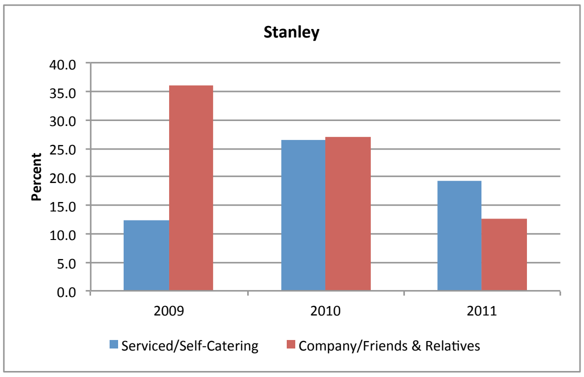


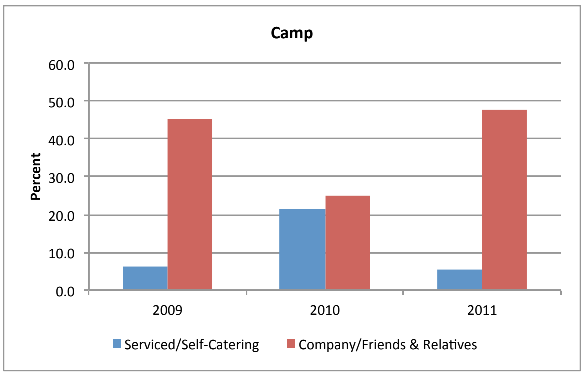
TRIP CHARACTERISTICS

Type of Accommodation Used (2009-2011)

In terms of nights spent in the Falklands, Stanley accounted for one-third (32.1%) of all tourist nights in 2011, down considerably on 2010. This is mainly due to a new "category" of accommodation being introduced into the survey called "Offshore", to account for the increase in oil arrivals. In previous surveys many of these were categorised as staying in Stanley, when in fact they were offshore; consequently, it is difficult to compare data for 2010 and 2011.

Accommodation Type	2009	2010	2011
	%	%	%
Stanley			
Serviced/Self-Catering	12.3	26.5	19.4
Company/Friends & Relatives	36.0	27.0	12.7
Total Stanley	48.3	53.5	32.1
Camp			
Serviced/Self-Catering	6.3	21.5	5.4
Company/Friends & Relatives	45.4	25.0	47.7
Total Camp	51.7	46.5	53.1
Offshore	-	-	14.8
Total	100.0	100.0	100.0

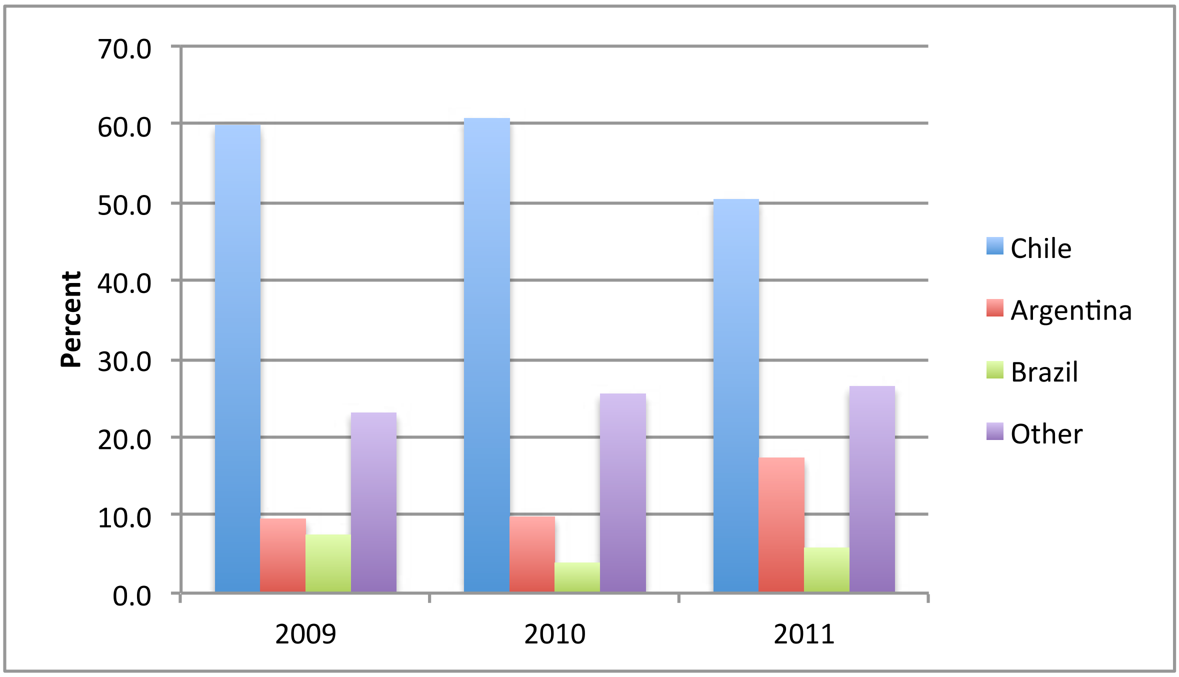




Other Countries Visited on the Same Trip (2009-2011)

The popularity of Chile as a destination that is visited as part of a trip to the Falklands declined in 2011, mainly due to the increase in oil arrivals travelling on the direct flight from Gatwick. However, it is still the most popular destination for visitors to the Falklands, with over 50% stating that they travelled there during their trip. There was a considerable increase in visitors traveling to Argentina in 2011, compared to 2010.

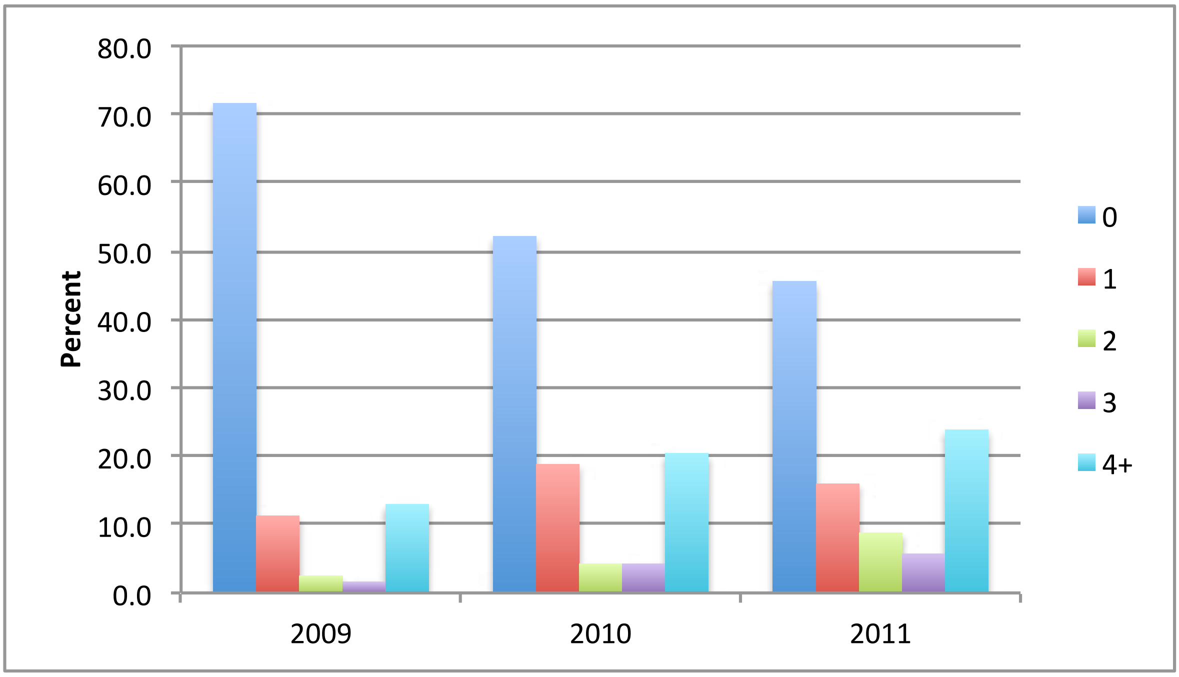
Other Countries Visited	2009	2010	2011
	%	%	%
Chile	59.9	60.8	50.4
Argentina	9.5	9.8	17.3
Brazil	7.5	3.9	5.8
Other	23.1	25.5	26.5
Total	100.0	100.0	100.0



Previous Visits to the Falklands (2009-2011)

In 2011, around 46% of all tourists had not visited the Islands before. This continues a declining trend line, with more and more arrivals to the Falklands being repeat visitors.

Repeat Visits	2009	2010	2011
	%	%	%
Not been before (0)	71.6	52.2	45.6
Been once before (1)	11.3	18.8	16.0
Been twice before (2)	2.5	4.3	8.8
Been three times before (3)	1.6	4.3	5.7
Been four or more times before (4+)	13.0	20.4	23.9
Total	100.0	100.0	100.0

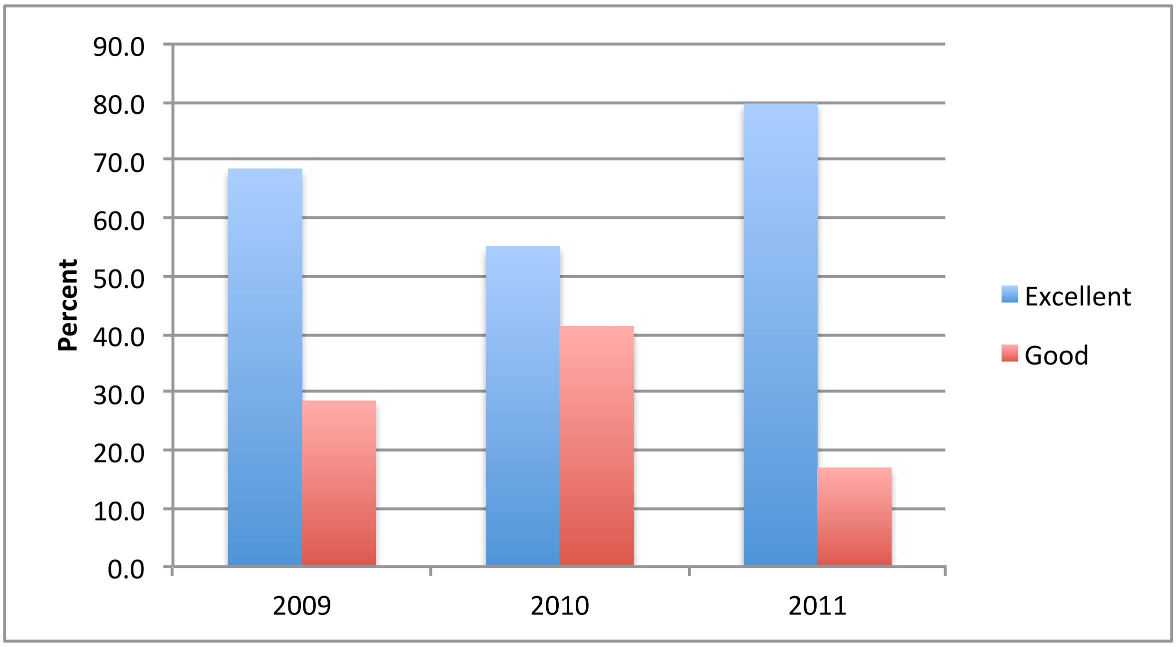


A significant and growing (almost 24% or one in every four) number of tourists had previously visited the Falklands in 2011.

Evaluation of Stay (2009-2011)

There has been a sharp increase in the number of Leisure tourists reporting an “Excellent” evaluation of their stay, up to almost 80% in 2011. No tourists selected “Poor” or “Very Poor”.

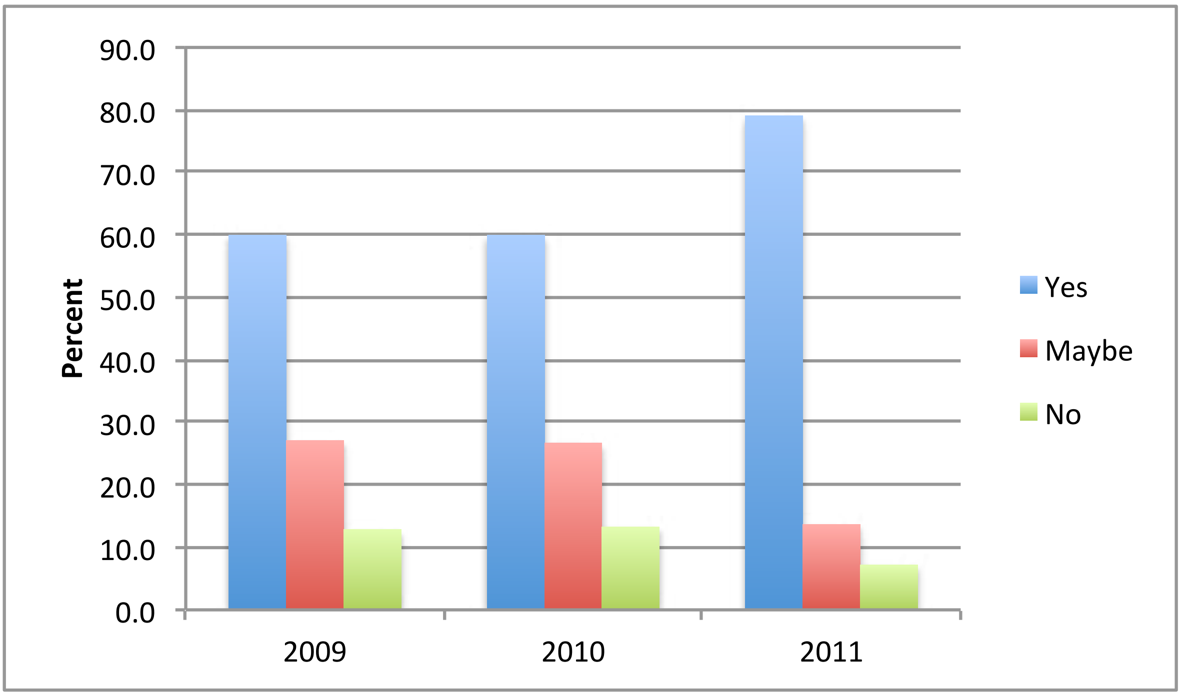
Evaluation of Stay	2009	2010	2011
	%	%	%
Excellent	68.5	55.2	79.7
Good	28.6	41.4	17.0
Average	0.0	0.0	3.3
Poor	2.9	3.4	0.0
Very Poor	0.0	0.0	0.0
Total	100.0	100.0	100.0



Interest in Visiting the Falkland Islands Again (2009-2011)

In 2011, almost 80% of all Leisure tourists stated that they would be interested in visiting the Falklands again, up almost 20 percentage points on 2010.

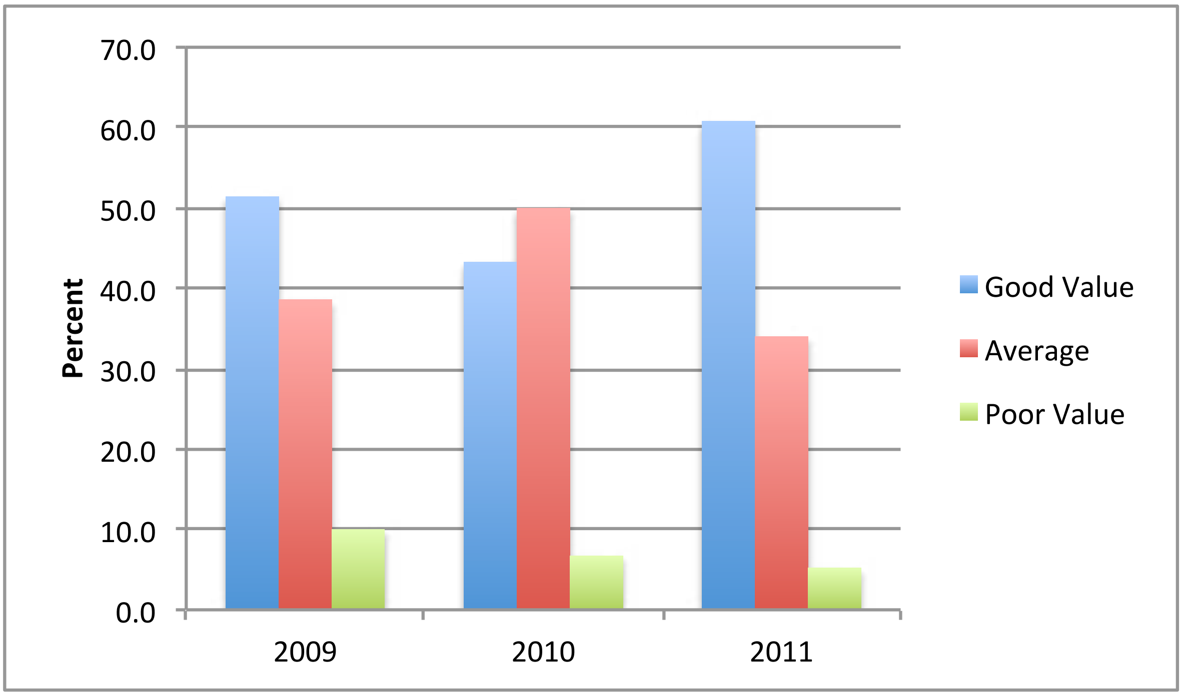
Interest in Visiting Again	2009	2010	2011
	%	%	%
Yes	60.0	60.0	79.1
Maybe	27.1	26.7	13.7
No	12.9	13.3	7.2
Total	100.0	100.0	100.0



Value for Money (2009-2011)

The general satisfaction with the Falklands was also apparent with the value for money indicator, with over 60% stating that they thought it was “Good Value” in 2011, compared to around 43% in 2010.

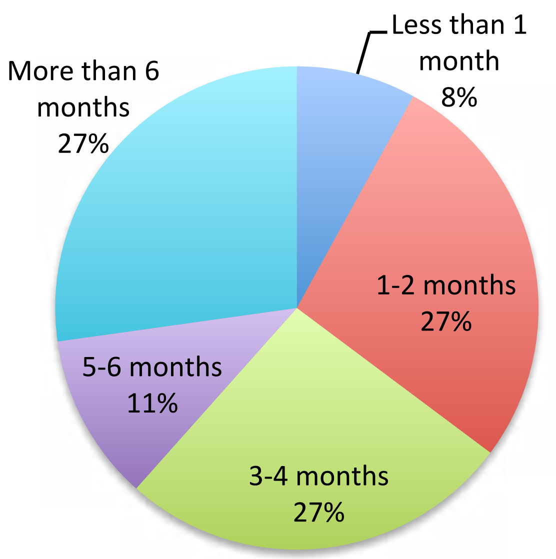
Value for Money	2009	2010	2011
	%	%	%
Good Value	51.4	43.3	60.8
Average	38.6	50.0	34.0
Poor Value	10.0	6.7	5.2
Total	100.0	100.0	100.0



Booking of Leisure Trips (2011)

The lead-time for bookings of Leisure trips to the Falklands is relatively long. Over one-third (38%) book their trip 5 months or more prior to travelling. Only 8% travel less than one month following their booking.

Lead Time for Bookings	2011
	%
Less than 1 month	8.0
1-2 months	27.0
3-4 months	27.0
5-6 months	11.0
More than 6 months	27.0
Total	100.0



Sources of Information for Trips to the Falkland Islands (2011)

Websites are the most popular form of information when planning leisure trips to the Falklands (35.7%). Over one-quarter drew on their previous experience (had visited before). Only 16.2% used the FITB website. The Lonely Planet guidebook was the most popular book (14.3%).

Sources of Information about the Falkland Islands	%
Websites (but not FITB)	35.7
Previous Experience	26.6
Friends/Family	18.2
FITB website	16.2
Lonely Planet	14.3
Other guidebook	9.1
TV/Films/Books	8.4
Wanderlust Magazine	7.1
Trip Advisor website	6.5
Other Magazines	5.8

What Leisure Tourists Liked (2011)

The diagram below shows the responses to the question: *What did you like best about your trip to the Falklands?* The size of the words indicates the frequency of responses. Only Leisure tourists provided these answers. Wildlife, the people and scenery were by far the most commonly mentioned.

What Leisure Tourists Think Could Be Improved (2011)

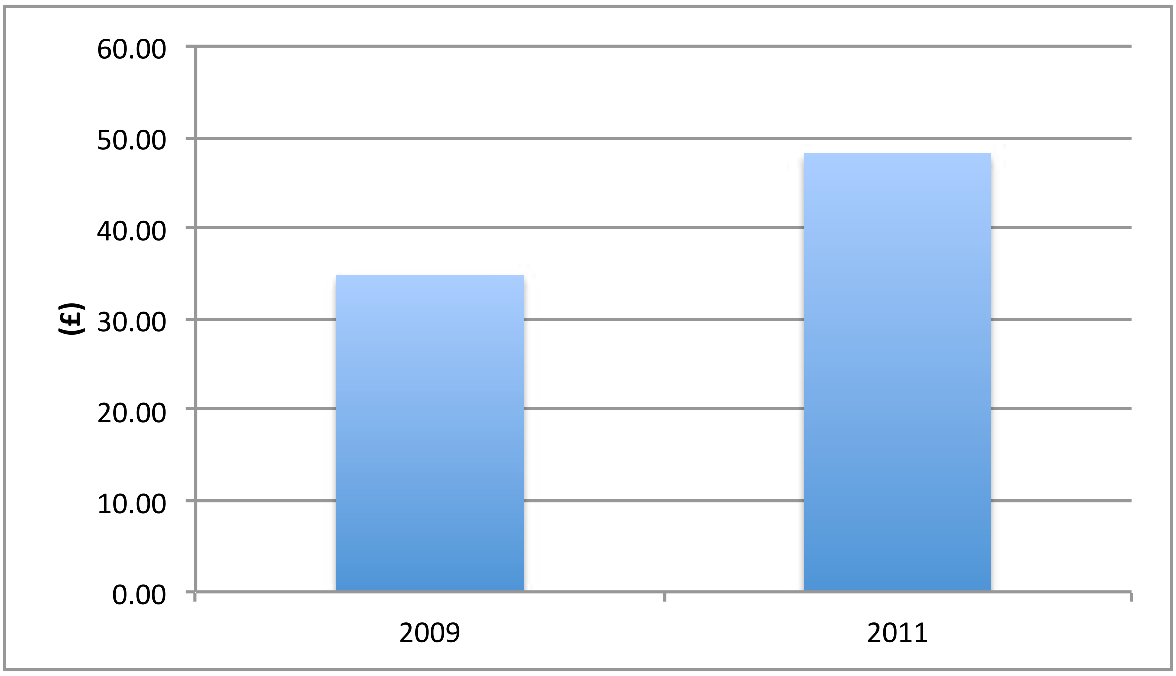
The diagram below shows the responses to the question: *What could be improved to make the Falkland Islands a better Tourist Destination?* Only Leisure tourists provided these answers. Better flights, access and roads were commonly mentioned, as were accommodation and the price. However, a large number also thought that "nothing" could be improved.

TOURIST EXPENDITURE

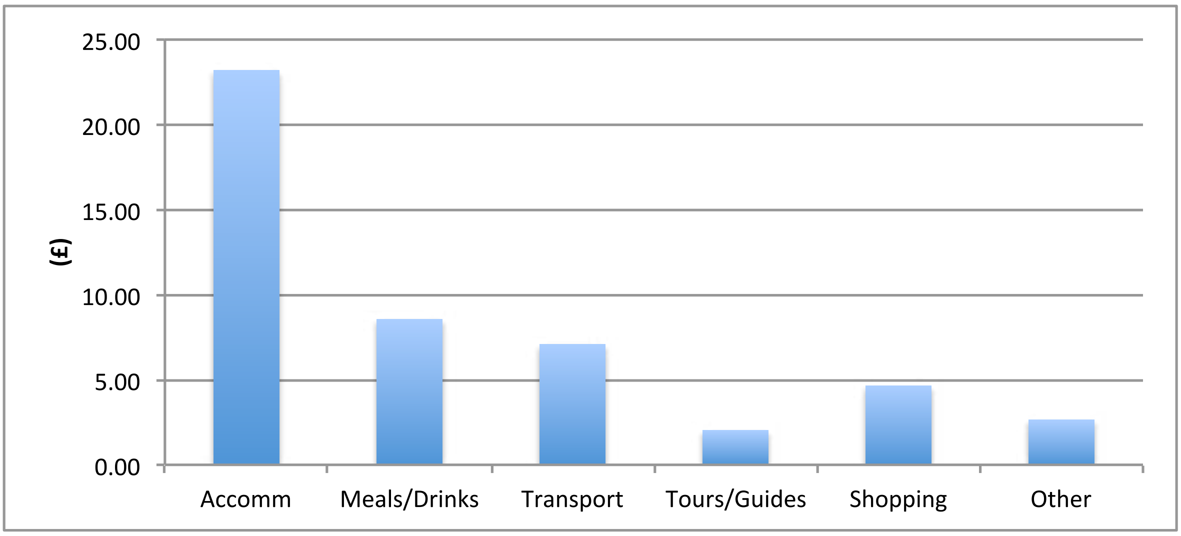
Average Spend per Person per Day (2009-2011)

The average spend per person per night in the Falklands in 2011 was £48.18. This represents an increase over that recorded in 2009 (the sample size for the 2010 survey was small and therefore unreliable). Almost one-half of daily spend was on accommodation.

Type of Expenditure	2009	2011	Share 2011
	(£)	(£)	(%)
Accommodation	15.96	23.20	48.2
Meals/Drinks	8.34	8.57	17.8
Transport	3.72	7.09	14.7
Tours/Guides	1.57	2.03	4.2
Shopping	3.07	4.65	9.7
Other	2.19	2.64	5.5
Total	34.85	48.18	100.0

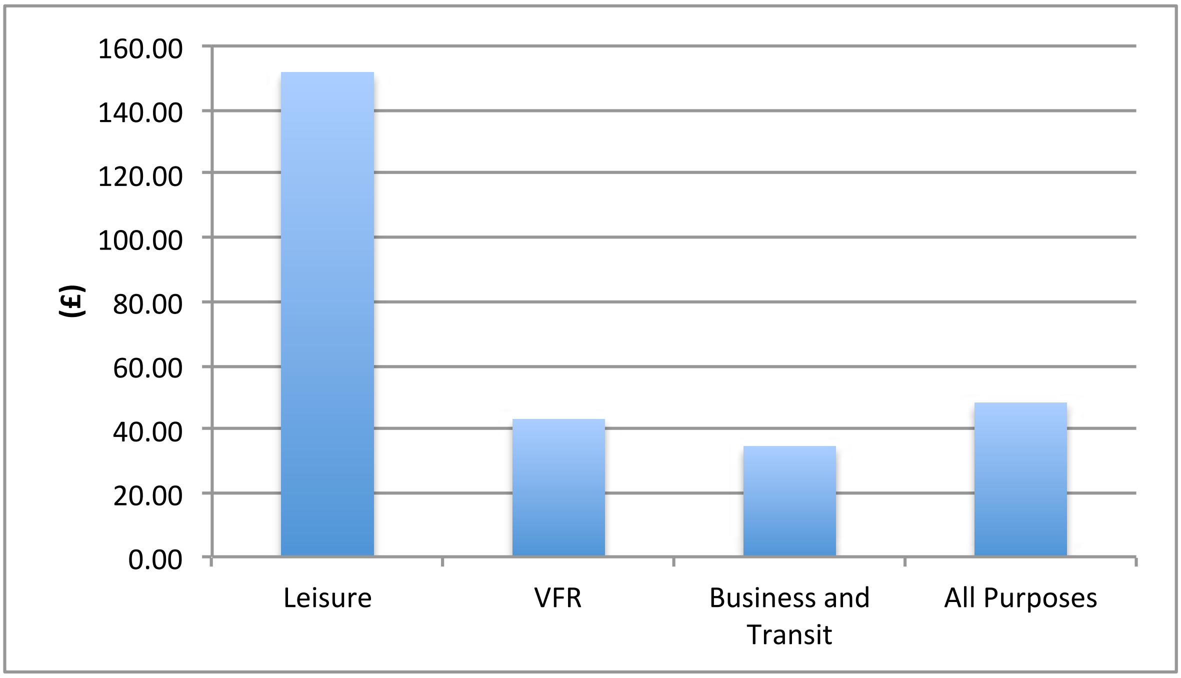


Accommodation accounted for over 48% of daily expenditure (£23.20), with expenditure on meals/drinks being the second most significant item.



By purpose of visit, Leisure tourists spent the most, averaging £151.70 per day in 2011, substantially more than in 2009. However, all purposes of visit showed an increase in expenditure in 2011 compared to 2009.

Purpose of Visit	**2009**	**2011**
	(£)	**(£)**
Leisure	80.19	151.70
VFR	22.42	43.11
Business and Transit	28.02	34.55
Total	34.85	48.18



Total Tourist Expenditure per Annum (2009-2011)

Overall, it is estimated that tourists spent almost £5.2 million in the Falkland Islands in 2011; this represents an average annual increase of 43.9% since 2009. Leisure tourists account for approaching one-half (45.2%) of all tourist expenditure.

Purpose of Visit	2009	2011	Average Annual Change	Share 2011
	(£)	(£)	(%)	(%)
Leisure	1,432,394	2,342,187	27.9	45.2
VFR	316,014	433,566	17.1	8.4
Business and Transit	772,031	2,402,175	76.4	46.4
Total	2,520,439	5,177,928	43.9	100.0

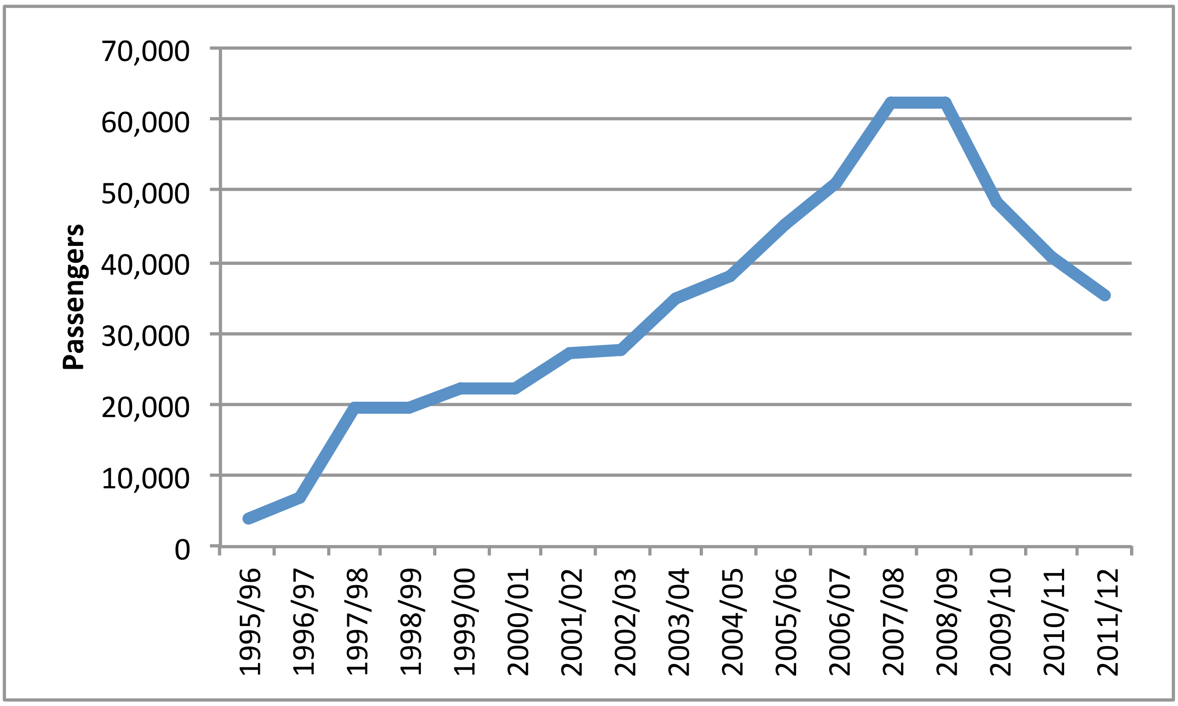
CRUISE TOURISM

CRUISE ARRIVALS

Passenger Arrivals (1995-2011)

Cruise passenger arrivals have grown at an average annual rate of 14.7% over the period 1995/06 to 2011/12, despite a decline in visits over the last three seasons.

Season	Passengers	Change (%)
1995/96	3,940	
1996/97	7,008	77.9
1997/98	19,523	178.6
1998/99	19,638	0.6
1999/00	22,370	13.9
2000/01	22,125	-1.1
2001/02	27,230	23.1
2002/03	27,461	0.8
2003/04	34,691	26.3
2004/05	37,880	9.2
2005/06	45,229	19.4
2006/07	51,282	13.4
2007/08	62,203	21.3
2008/09	62,488	0.5
2009/10	48,359	-22.6
2010/11	40,542	-16.2
2011/12	35,159	-13.3

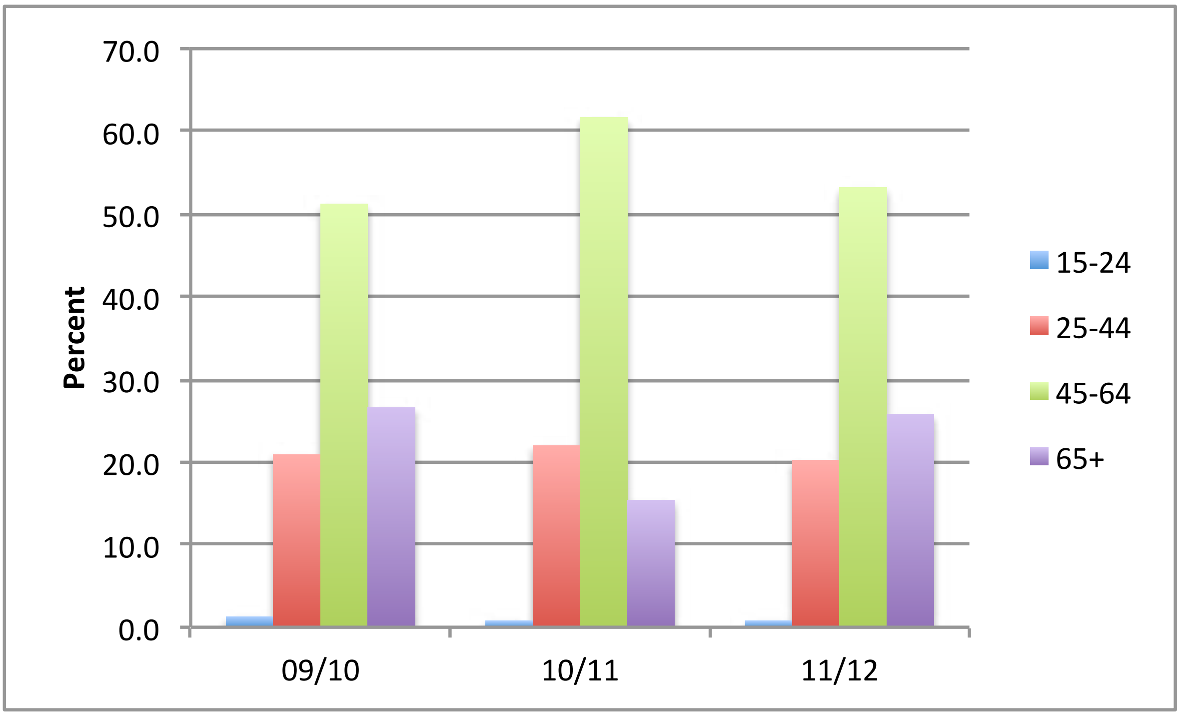


TRIP CHARACTERISTICS

Age of Cruise Passengers (2009-2011)

The largest age group within the cruise arrivals segment is the 45-64 year olds, which represented over 53% of all visitors in the 2011/12 season.

Age Group	09/10	10/11	11/12
	%	%	%
15-24	1.3	0.8	0.8
25-44	20.9	22.0	20.2
45-64	51.2	61.7	53.2
65+	26.6	15.4	25.8
Total	100.0	100.0	100.0



Previous Visits to the Falkland Islands (2009-2011)

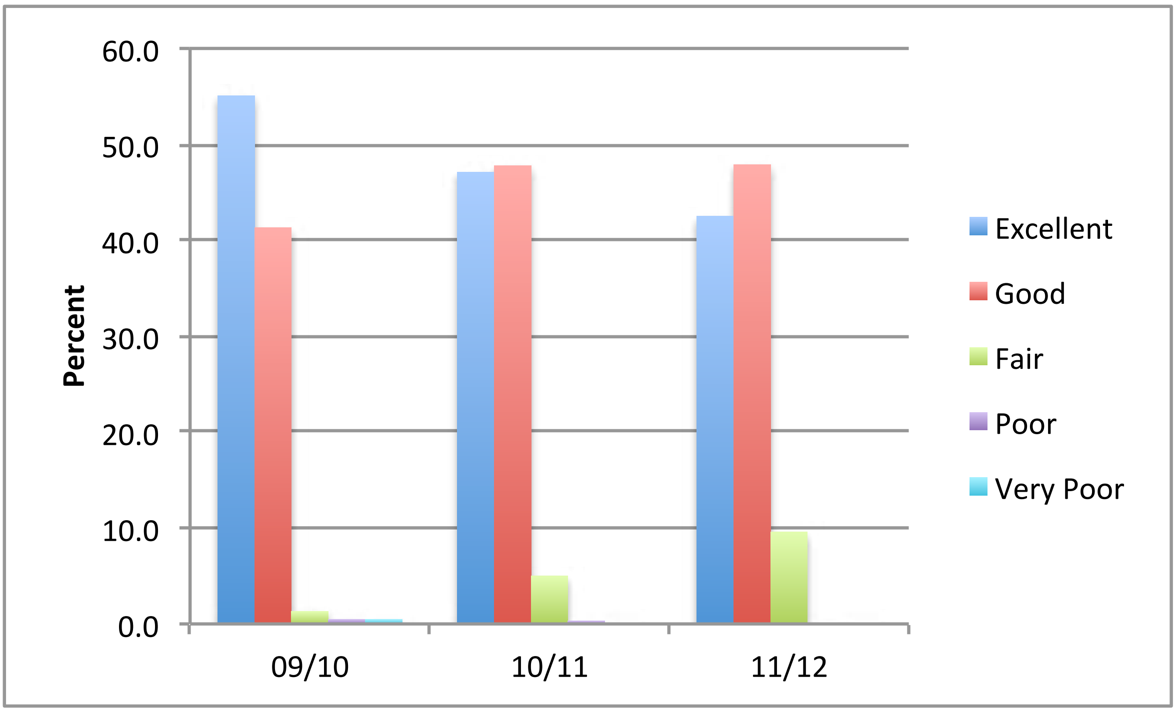
Most cruise visitors have not been to the Falkland Islands before (88.6%), however there has been a steady growth in arrivals over the last three seasons of the number of arrivals who have visited once before.

Previous Visits	09/10	10/11	11/12
	%	%	%
None	83.0	82.0	88.6
One	5.1	4.6	8.4
Two	3.9	1.0	0.6
Three	2.0	1.7	2.4
Four+	6.0	10.7	0.0
Total	100.0	100.0	100.0

Evaluation of the Visit (2009-2011)

Whilst most visitors describe their trip to the Falklands as “Excellent” or “Good”, over the last three seasons fewer visitors are describing their trip as “Excellent” and more are describing it as “Good”.

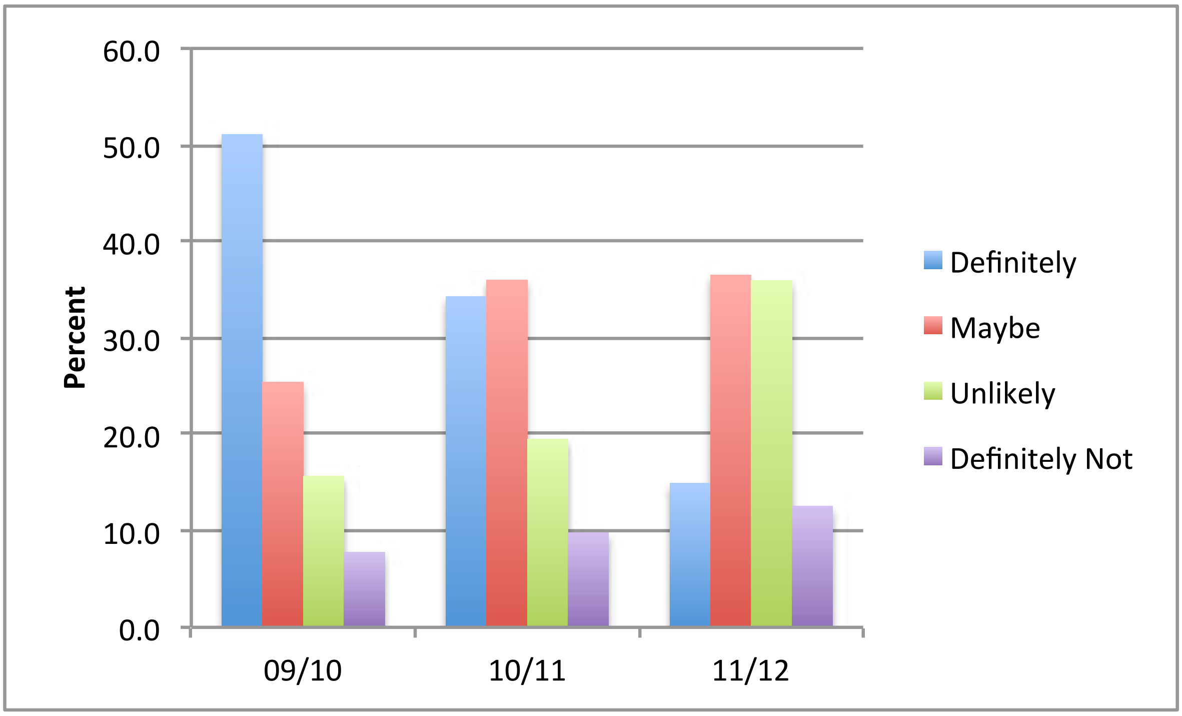
Evaluation	09/10	10/11	11/12
	%	%	%
Excellent	55.1	47.1	42.5
Good	41.3	47.8	47.9
Fair	1.3	5.0	9.6
Poor	0.5	0.2	0.0
Very Poor	0.5	0.0	0.0
Total	100.0	100.0	100.0



Likelihood of Visiting Again (2009-2011)

There appears to be a decline in the number of cruise visitors who declare that they "Definitely" want to visit the Falkland Islands again (15% in 2011/12). This seems to be at the expense of those who say that the likelihood of visiting again is "Unlikely".

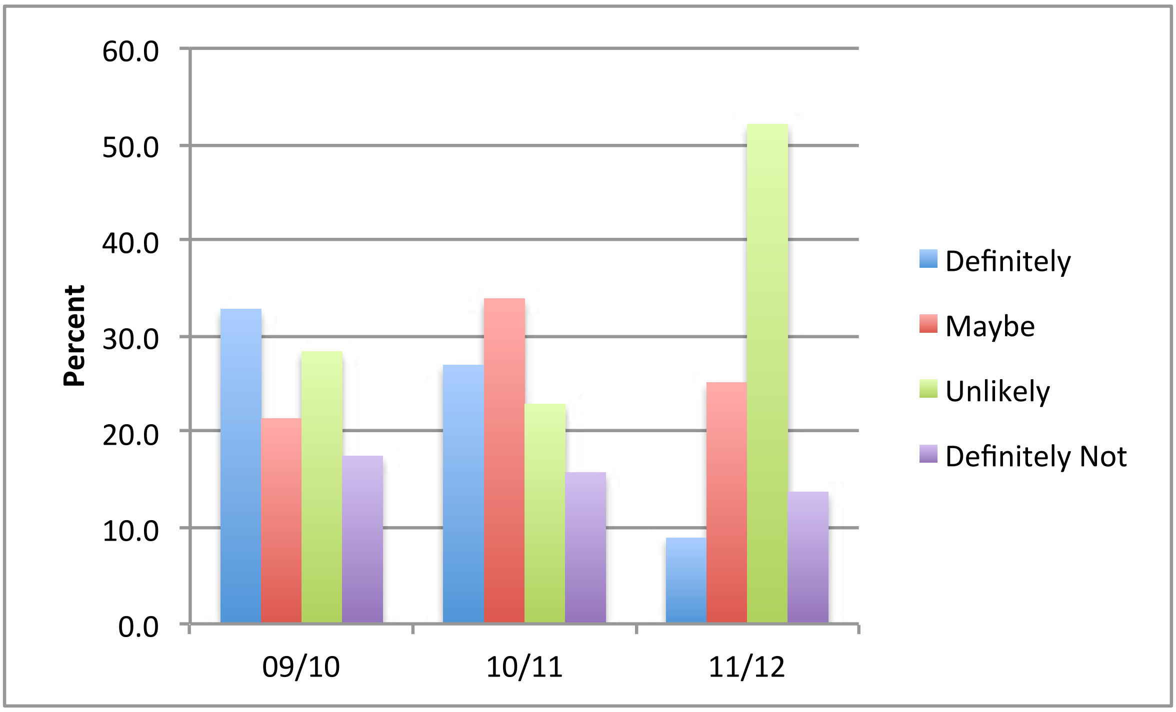
Return Visit	09/10	10/11	11/12
	%	%	%
Definitely	51.1	34.3	15.0
Maybe	25.4	36.0	36.5
Unlikely	15.7	19.5	35.9
Definitely Not	7.8	9.8	12.6
Total	100.0	100.0	100.0



Desire to take a Land Based Holiday in the Falklands (2009-2011)

In 2011/12, 9% of all cruise visitors (around 3,200 arrivals) stated that they would like to visit the Falklands on a land-based holiday. This is much lower than in previous years. Despite there being little evidence of declining satisfaction of cruise visitors to the Falklands, there appears to be a decline in the desire to return.

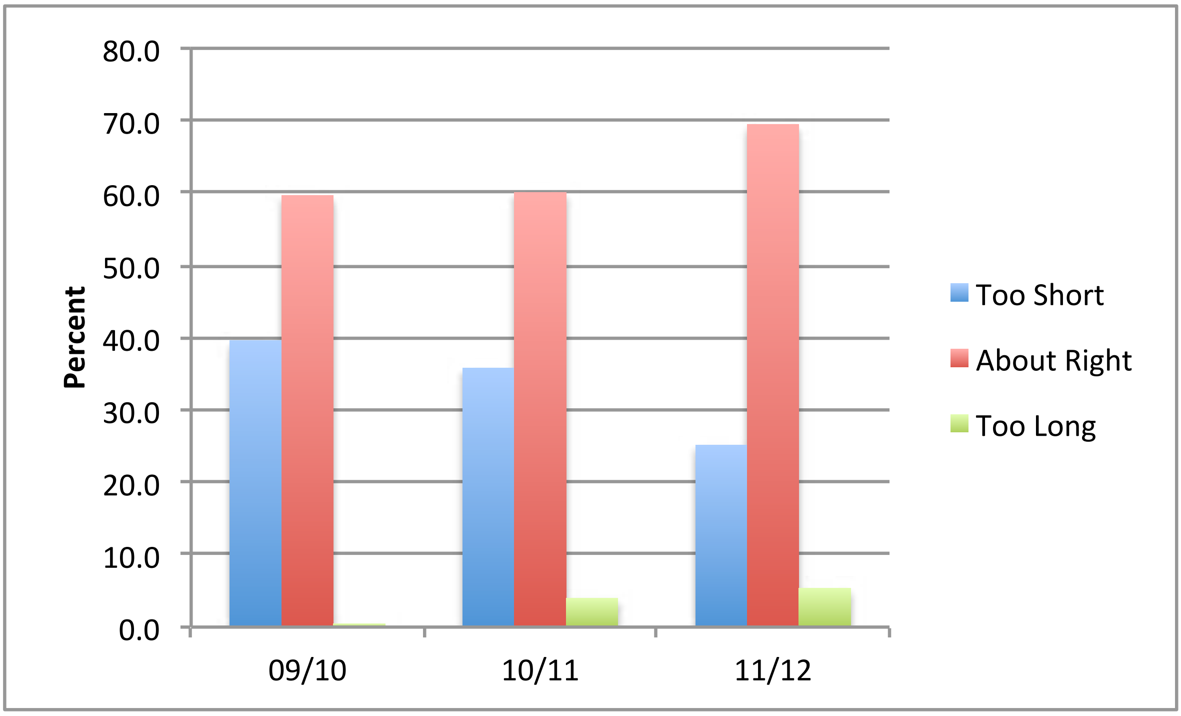
Land Based Holiday	**09/10**	**10/11**	**11/12**
	%	**%**	**%**
Definitely	32.8	27.0	9.0
Maybe	21.4	33.9	25.1
Unlikely	28.4	22.9	52.1
Definitely Not	17.5	15.8	13.8
Total	100.0	100.0	100.0



Evaluation of Length of Stay on the Islands (2009-2011)

Over the last three seasons there has been an increasing contentment with the duration of stay in the Falklands. In the 2011/12 season, almost 70% of visitors thought that it was “About Right”. Very few (5.4%) thought that it was too long.

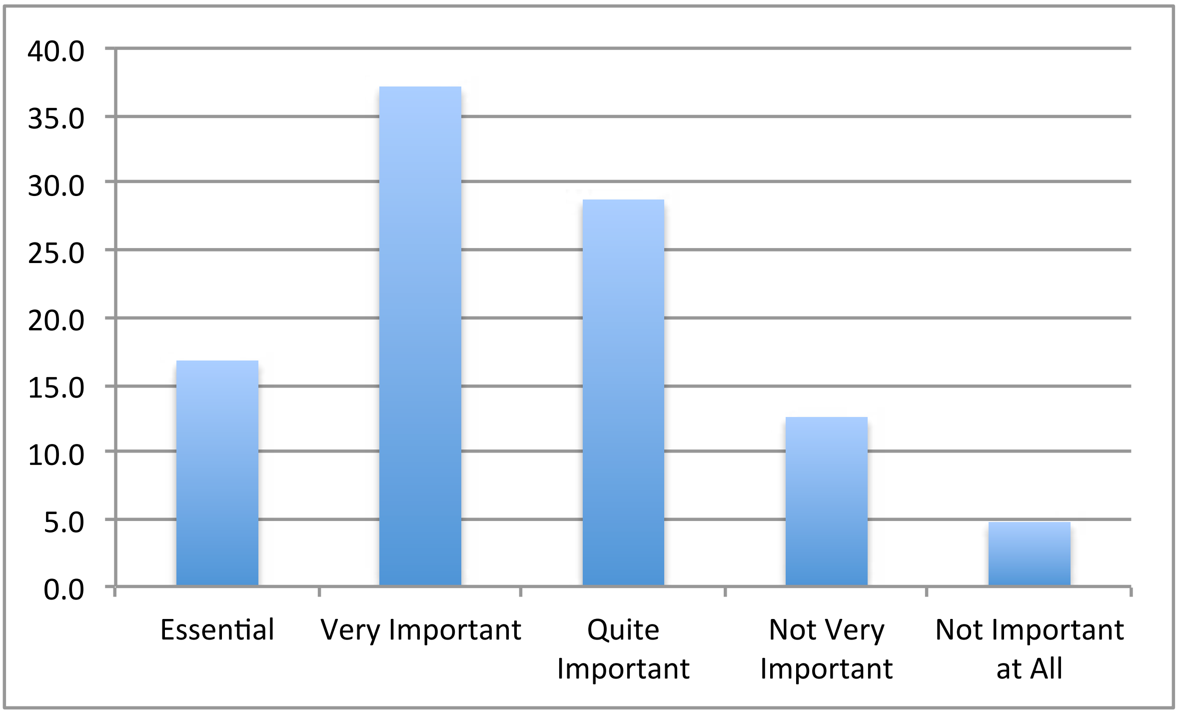
Evaluation of Duration	**09/10**	**10/11**	**11/12**
	%	**%**	**%**
Too Short	39.6	35.8	25.1
About Right	59.7	60.1	69.5
Too Long	0.5	4.0	5.4
Total	100.0	100.0	100.0



Importance of the Falklands Islands in the Cruise Itinerary (2009-2011)

Almost 17% of cruise visitors stated that the Falklands was “Essential” when choosing their itinerary, and a further 37.1% stated that it was “Very Important”. So well over one-half of all arrivals attached high importance to the Falklands when selecting their cruise.

Response	Cruise	Expedition	All
	%	%	%
Essential	23.3	9.9	16.8
Very Important	39.5	34.6	37.1
Quite Important	23.3	34.6	28.7
Not Very Important	10.5	14.8	12.6
Not Important at All	3.5	6.2	4.8
Total	100.0	100.0	100.0



CRUISE PASSENGER EXPENDITURE

Cruise Passenger Spend (2009-2011)

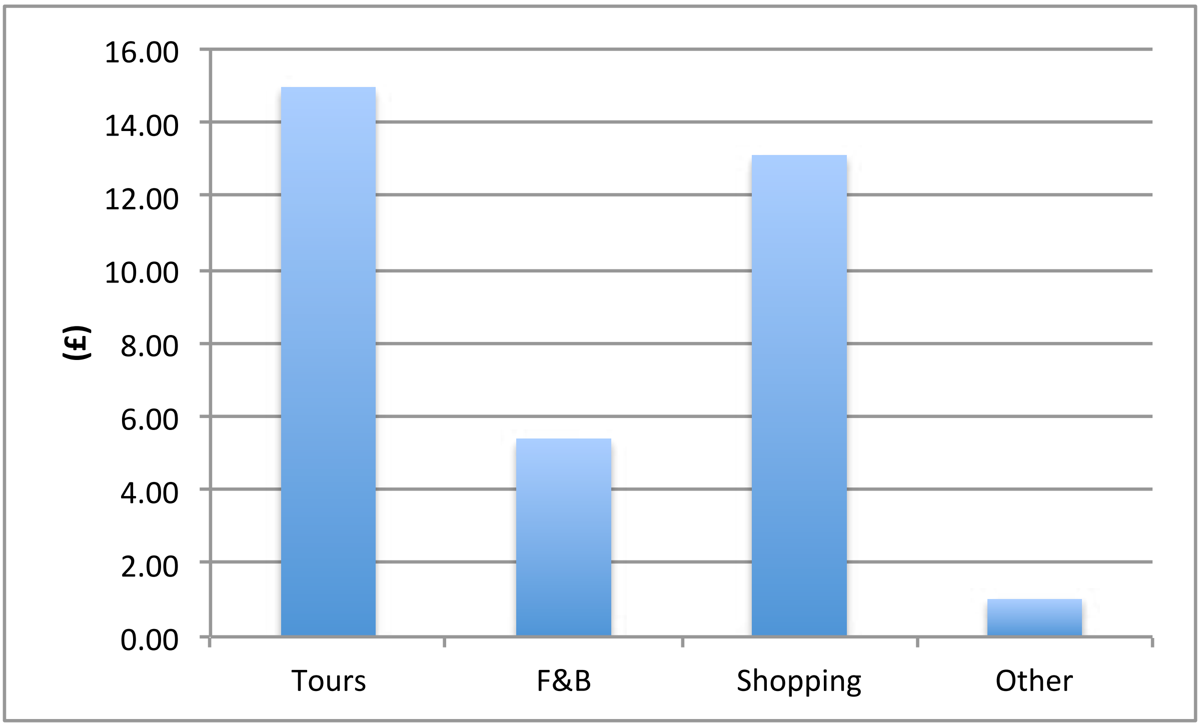
Despite a decline in the number of cruise passengers arrivals in the 2011/12 season, there was an increase in expenditure. In the 2011/12 season, cruise passengers spent almost £1.8 million.

Season	Spend	Change
	(£)	(%)
2008/09	1,999,616	
2009/10	1,587,142	-20.6
2010/11	1,398,699	-11.9
2011/12	1.784,319	27.6

Average Spend per Passenger (2009-2011)

Average spend per cruise passenger increased by over 47% in 2011/12, compared with the previous season. The average spend per passenger was £50.75

Type of Spend	08/09	09/10	10/11	11/12
	(£)	(£)	(£)	(£)
Tours	23.44	12.62	14.96	29.26
Food and Drink	5.43	2.71	5.39	6.24
Shopping	17.04	17.49	13.11	15.02
Other	0.00	0.00	1.03	0.23
Total	45.92	32.82	34.50	50.75



The largest proportion of cruise passenger expenditure was on Tours (£29.26) followed by Shopping (£15.02). Note that the average cost of a tour in 2011/12 was £55.49, however the overall average spend on a tour is reduced by the large number of passengers not taking any form of tour at all.